

# City of Newburgh

## Press Release

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for immediate release

May 17, 2012

### Newburgh Community Land Bank Approved by NYS Empire State Development One of First in the State to Receive Approval

The Newburgh Community Land Bank's application to create one of the state's first land banks was approved today by New York State's Empire State Development (ESD) agency. The other successful applicants were Buffalo/Lackawanna/Tonawanda/Erie County; Syracuse/Onondaga County, Schenectady County/City of Schenectady, and Chautauqua County.



**Mayor Judy Kennedy and Fire Chief Michael J. Vatter, Chairman of the Board of Directors of the Newburgh Community Land Bank at press conference Thursday, May 17 about ESD's approval of the land bank**

The NYS Land Bank Program was established by enactment of Article 16 of the state's Not-for-Profit Corporation Law. Under the provisions of the act, governmental properties that have the power to foreclose on tax liens are permitted to create a not-for-profit corporation whose purpose is to facilitate the return of vacant, abandoned, and delinquent properties to productive use. ESD must approve applications for land bank creation and only 10 can be created in the state.

In March of 2012, the City Council voted to authorize Pace University's Land Use Law Center to assist in the establishment of Newburgh's Land Bank, which was incorporated under the Private Housing Finance Law. Once approved by ESD, the Land Bank is legally authorized to take title to city-owned parcels for a negotiated price as low as \$1 and is not required to pay property and sales taxes until the properties are restored and sold to new owners.

The Newburgh Land Bank is concentrating on a target area generally bounded to the north by South Street, to the west by Route 9W, to the south by Broadway, and to the east by the waterfront. The City has committed to concentrate its police and code enforcement efforts in this target area to ensure the success of the Land Bank's operations.

The City's three major "anchors," Mount Saint Mary College, St. Luke's Cornwall Hospital, and SUNY Orange, as well as other private sector institutions are working with the Newburgh Community Land Bank in property selection, maintenance, repair, and disposition. The Land Bank is also seeking funding through state and federal grants and loans.

City of Newburgh Mayor Judy Kennedy said, "I want to express my appreciation to Governor Cuomo and Empire State Development for their support and faith in our effort to revitalize and rebuild our neighborhoods and thereby improve the quality of life for our citizens. With this

new structure, the Newburgh Community Land Bank is poised and ready to aggressively tackle the abandoned buildings and empty lots that have plagued this city for years."

Senator Bill Larkin commented, "I'm thrilled to see the land bank authorization legislation the Senate passed last year being put to good use. Land banks are a great tool for improving the quality of life in communities throughout the state, and the Newburgh Community Land Bank should be applauded for its commitment to the City of Newburgh and its residents."

Assemblyman Frank Skartados stated, "I congratulate the Newburgh Community Land Bank on this milestone. This will be another step forward in the community's effort to revitalize their great City. I would also like to thank Empire State Development Corporation for their vision in recognizing the incredible potential of the City of Newburgh.